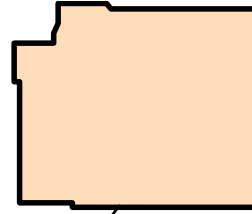
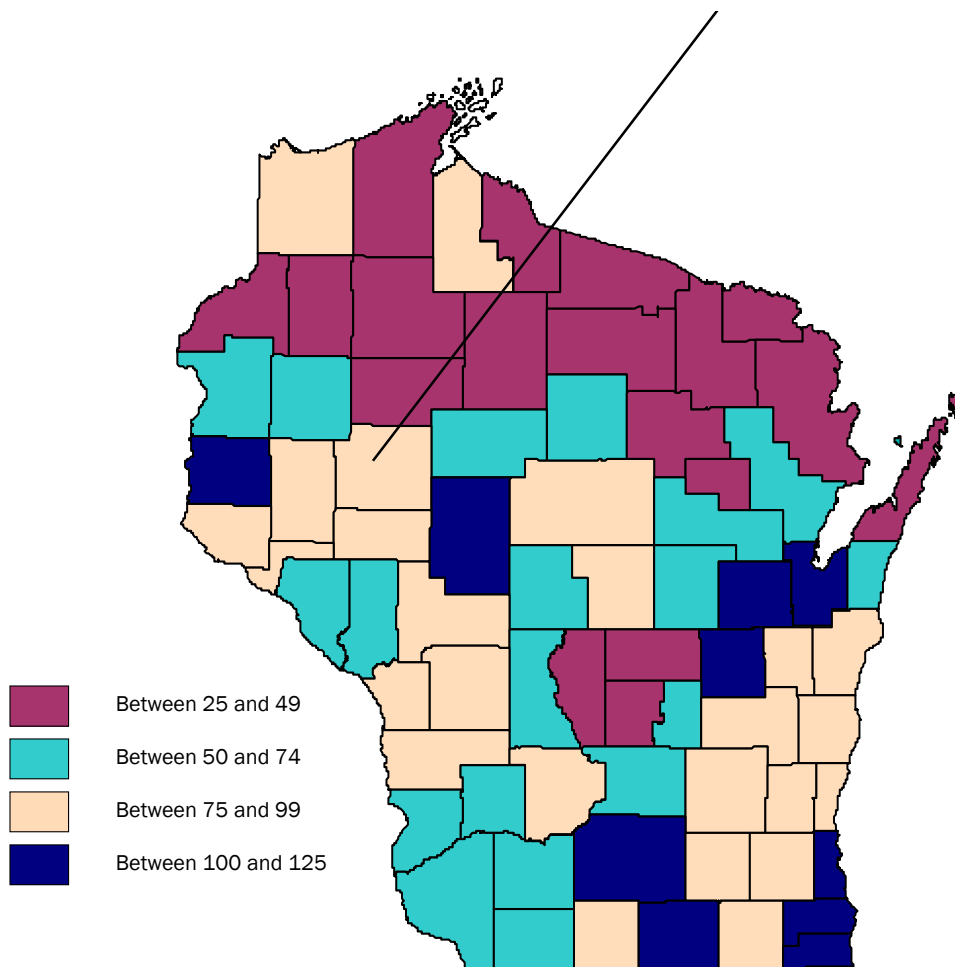


Chippewa County Workforce Profile



The number of residents aged 25-29 years for every
100 residents aged 60-64 years in year 2025



Source: Wisconsin Department of Administration, Demographic Services Center and the U.S. Bureau of Census.

For comparison, it is projected that there will be 90 residents aged 25-29 for every 100 residents aged 60-64 in Wisconsin in 2025. Nationally, it is projected that there will be 101 residents aged 25-29 for every 100 residents aged 60-64. In 2003, Wisconsin had 146 residents aged 25-29 for every 100 aged 60-64.



County Population

The population in Chippewa County continued to increase at a faster pace than in the nation and Wisconsin and ranked 3rd fastest growing among the state's 72 counties. From Census 2000 to January 2004 the population in Chippewa County increased 7.7 percent by adding 4,271 residents. All but three of the county's 32 municipalities added residents and five of the ten largest municipalities out-paced the percent increase of the

Total Population

	April 2000 Census	Jan. 1, 2004 estimate	Numeric change	Percent change
United States	281,421,906	292,287,454	10,865,548	3.9%
Wisconsin	5,363,715	5,532,955	169,240	3.2%
Chippewa County	55,195	59,466	4,271	7.7%
Largest Municipalities				
Chippewa Falls, City	12,925	13,155	230	1.8%
Lafayette, Town	5,199	5,662	463	8.9%
Lake Hallie, Village	0	5,345	5,345	NA
Bloomer, City	3,347	3,446	99	3.0%
Stanley, City*	1,898	3,378	1,480	78.0%
Eagle Point, Town	3,049	3,290	241	7.9%
Wheaton, Town	2,366	2,537	171	7.2%
Eau Claire, City*	1,910	1,985	75	3.9%
Anson, Town	1,881	1,983	102	5.4%
Cornell, City	1,466	1,447	-19	-1.3%

*Chippewa County portion only

Source: Wis. Dept. of Administration, Demographic Services and U. S. Census Bureau

county. The population in the newly incorporated Village of Hallie showed an increase of 640 residents from the Census 2000 count in the Town of Hallie.

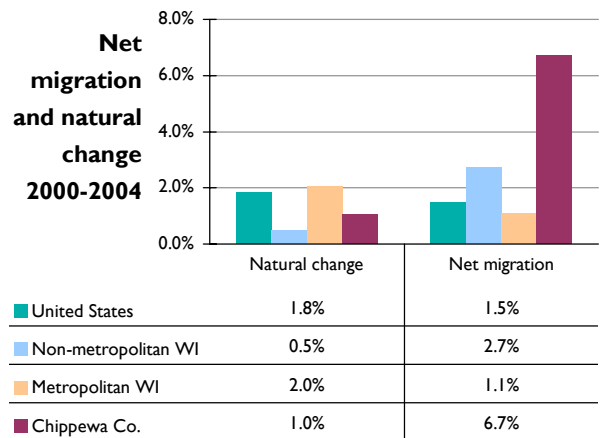
Most of these municipalities, as well as the county, are growing so fast because they attracted new residents from other areas. However, the increase in the City of Stanley includes not only the residents who moved to the city to work at the new Stanley Correctional Institution, but also the inmates now housed there.

The increase in county population from migration was five times greater than the increase attributed to natural causes. The migration rate in Chippewa County of 6.7 percent greatly exceeded the Wisconsin rate of 1.6 percent and exceeded the rate of other metropolitan counties in Wisconsin. Migration rates in metropolitan counties are lower because residents who work in the metro area often prefer to live outside the central city. That said, a significant share of the net migration

to Chippewa County occurred in the Chippewa County portion of the City of Stanley.

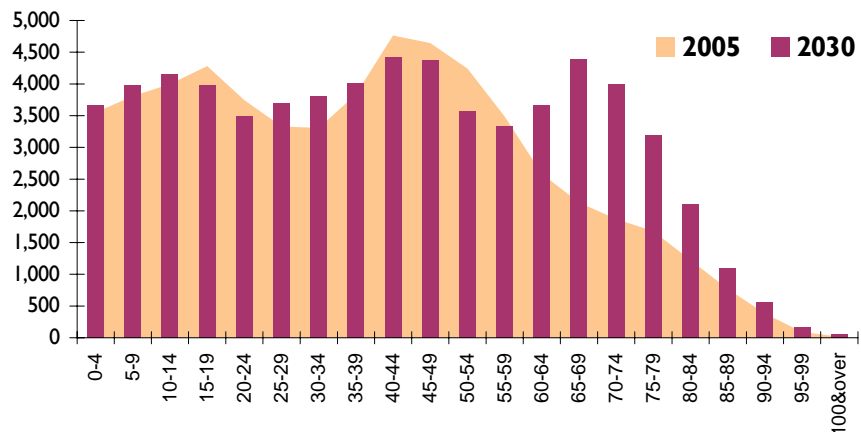
In addition to the increase from migration the population increased when the 2,567 births since 2000 exceeded deaths by 578. The fertility rate (see glossary) in the county of 62.1 also exceeds the state rate of 58.7 and points to a more positive trend in Chippewa County than in some neighboring counties. However, in spite of recent births, the overwhelming trend in the county is still toward an older population.

Roughly 19 percent of the population is currently over 60 years old but by 2030 that share expands to nearly 29 percent. In contrast, 34 percent of the current population is under 25 years old and that shrinks to 29 percent by 2030. This trend is dramatized in the bottom graph where the 'hill' created by baby-boomers, currently 40 to 59 years old, rises above all other age groups and continues to dwarf other ages in the next 25 years.



Source: WI Dept. of Admin., Demographic Services and U. S. Census Bureau

Population by Age Groups in Chippewa County



Source: WI Dept. of Administration, Demographic Services

Future Population and Labor Supply

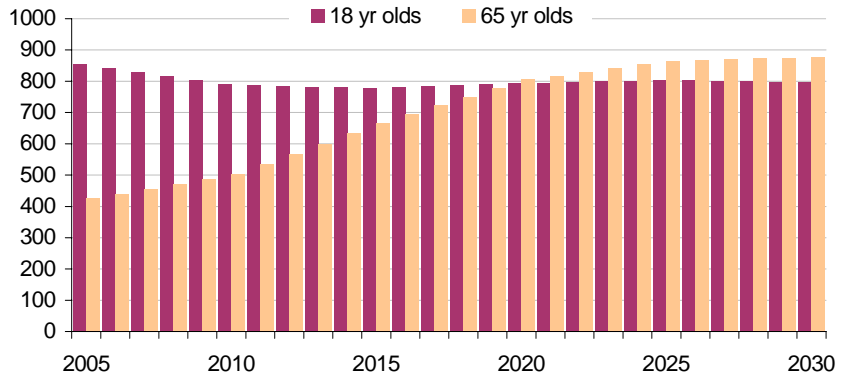
The impact of an aging population is perhaps more obvious in terms of services that they will require. But it also impacts the availability of labor. Assuming that 65 years old represents an average age of retirement and that 18 years old represents high school graduation then a plot of the number of these residents points to a time when the first group exceeds the other in number. That convergence occurs in 2019 in Chippewa County.

As residents age their participation in the labor force declines. Labor force participation rates (LFPR, see glossary) among the population 25 to 50 years of age generally exceed 87 percent in Chippewa County. But, after 55 years the LFPR begins to drop and by 60 years it is nearing 50 percent. The number of residents may increase but as the population ages labor force growth will stall and by 2030 the labor force will decline.

Although county population growth will slow it is not projected to decline during the projection period. However, because a greater share of the population will be over 50 years old the size of the labor force is projected to decline. The three columns in the chart on the right illustrate labor force composition and size. Most notable is the increasingly larger sections representing workers over 65 years in the top.

This projection uses national assumptions that included a slight increase in the participation rates of older residents but did not factor in the declining participation rates of white resi-

Convergence of 18 & 65 year old population in Chippewa County

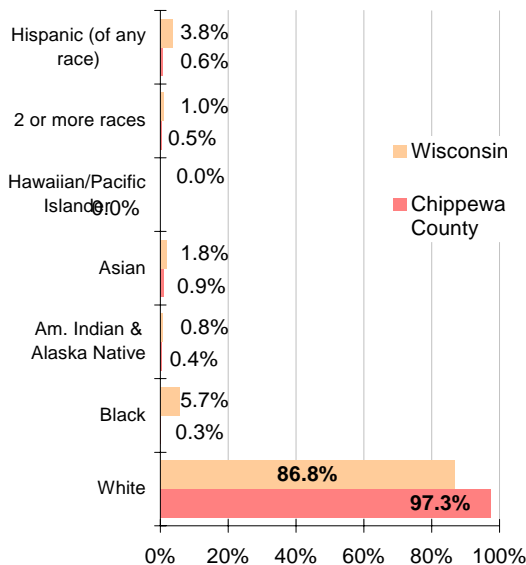


Source: WI Dept. of Administration, Demographic Services

dents; and, the population in Chippewa County is 97 percent white. The next largest racial group, Asian, is less than one percent of the total population.

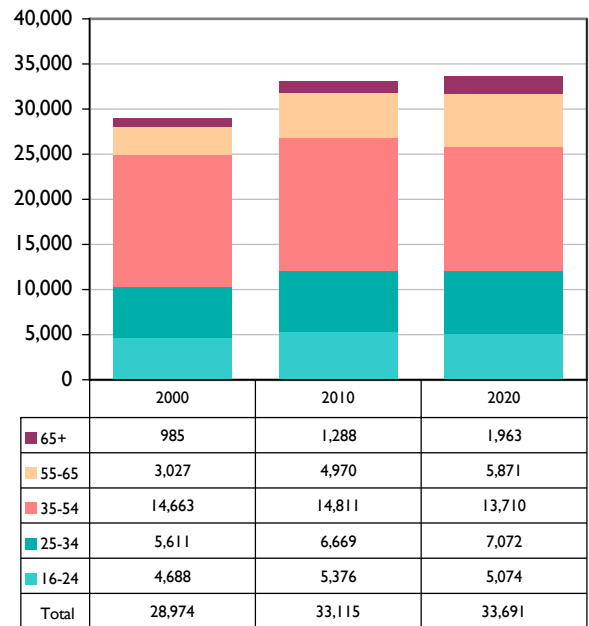
Two broad scenarios arise from the disparity in age and ethnicity: 1) there will be labor shortages due to retirements and the lack of replacement workers especially in occupations that rely on younger workers or require specialized skills; and 2) the aging population will impact the economy as an elderly population demands changes in the types of goods and services provided in local communities.

Race and ethnic distribution



Source: U.S. Census Population Characteristics Estimates, 2002

Chippewa County Labor Force Projections by Age



Decade change	16.5%	14.3%	1.7%
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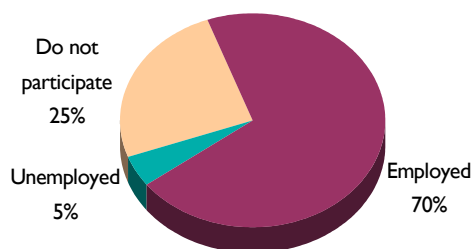
Source: DWD, Office of Economic Advisors, August 2004

Current Labor Force

Labor force participation represents the share of population that is 16 years old and older that is either employed or unemployed. Participation rates in Wisconsin and the United States in 2003 were 72.9 and 66.3 percent, respectively.

In Chippewa County the participation rate was 75 percent. That means that 25 percent of the population 16 years old and older did not participate. That includes some students and individuals who choose not to work including retirees.

Labor force participation in Chippewa County



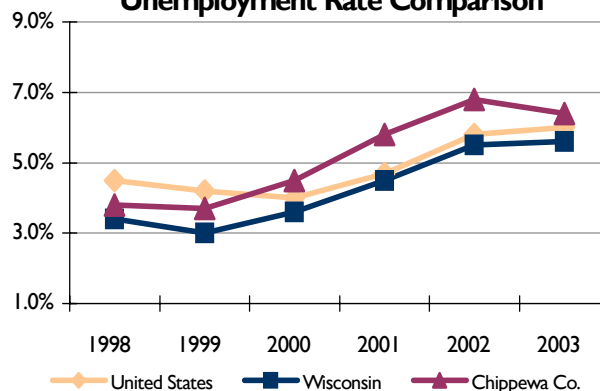
Source: DWD, Office of Economic Advisors, July 2004

As the population ages, more retirees will be included in the non-participating category by choosing not to work and the overall labor force participation rate will decline.

There will also be fewer new entrants to the labor force who are seeking first-time jobs and, consequently, fewer included among the unemployed. That, in turn, will produce lower unemployment rates. The fact that there were

fewer new job seekers to the labor force during the last recession is one of the reasons unemployment rates remained as low as they did. The unemployment rate in Chippewa County in 2003 was 6.4 percent compared to a 11.1 percent unemployment rate following the 1981-82 recession when the baby-boomers were entering the labor force in droves.

Unemployment Rate Comparison



Chippewa County Civilian Labor Force Data

	1998	1999	2000	2001	2002	2003
Labor Force	30,736	30,196	30,294	30,930	31,334	32,096
Employed	29,568	29,088	28,922	29,122	29,201	30,037
Unemployed	1,168	1,108	1,372	1,808	2,133	2,059
Unemployment Rate	3.8%	3.7%	4.5%	5.8%	6.8%	6.4%

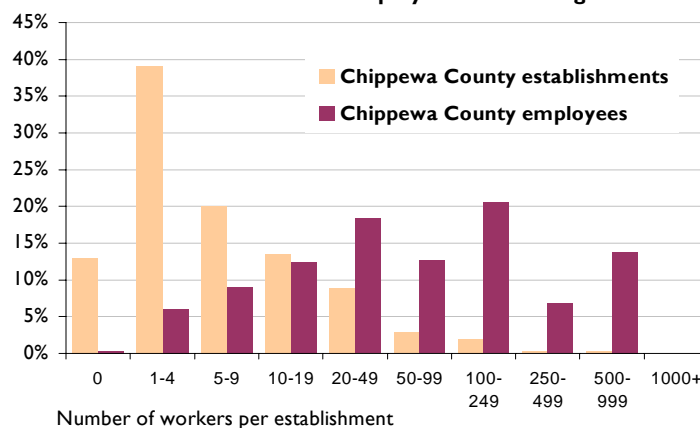
Source: WI DWD, Bur. of Workforce Information, Local Area Unemployment Statistics, 2003

Employers by Size

Nationwide, about one-quarter of the jobs are with employers that have 250 or more employees compared to roughly 31 percent in Wisconsin. However, of the roughly 20,990 jobs in Chippewa County 21 percent are with employers with 250 or more workers. In stark contrast, the share of employers with 250 or more workers comprises less than one percent of all employers in Chippewa County very similar to the share in the nation and in Wisconsin.

The greatest share of jobs in the county is with employers in the 100-249 employee range. However, the greatest share of employers, 52 percent, has less than five workers. The average employer in Chippewa County has 15 employees, compared with 17 employees in Wisconsin and 13 in the United States.

Share of establishments & employees in size range in 2003



Source: DWD, Bureau of Workforce Information, Table 221, July 2004

Industry & employers by size

In March 2004, the date of the industry information, computer and electronic products manufacturing was the largest industry in the county and three of the county's largest employers, in December 2003, contributed to that employment. However, during 2004 some of those employers reduced jobs even as other employers were adding workers. These lists could be very different when the year ends.

The changes effect more than computer products manufacturing. Mason Companies moved it's production facility out of the county and the Northern Wisconsin Center has been split to accommodate a smaller population of developmentally disabled adults, a newly opened substance-abuse inmate prison, and the recently approved Disabled Veteran's Campus.

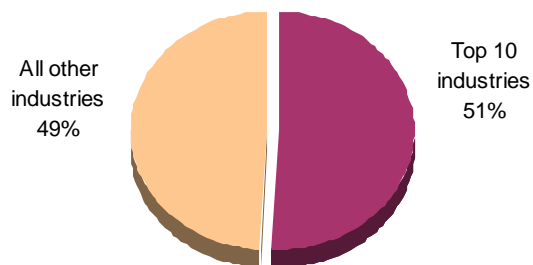
Top 10 Industries in Chippewa County

Industry	March 2004		Numeric Employment Change	
	Establishments	Employees	2003-2004	1999-2004
Computer & electronic product mfg	11	1,844	-97	-1,023
Educational services	11	1,599	11	81
Nursing & residential care facilities	19	1,362	-102	-135
Food services & drinking places	105	1,304	105	131
Executive, legislative, & gen government	32	1,005	20	-15
Hospitals	3	950	2	4
Machinery manufacturing	17	749	44	-103
Motor vehicle & parts dealers	49	689	-77	-4
Plastics & rubber products manufacturing	12	603	17	-188
Food & beverage stores	21	582	6	-22

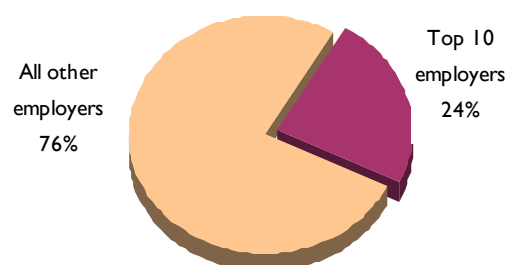
Top 10 Employers in Chippewa County

Establishment	Product or Service	Size (Dec. 2003)
Advance Circuits Inc.	Printed circuit assembly manufacturing	500-999 employees
Chippewa Falls Public School	Elementary and secondary schools	500-999 employees
Saint Joseph's Hospital	General medical and surgical hospitals	500-999 employees
County of Chippewa	Executive, legislative, & gen. government offices	500-999 employees
WI Dept of H & FS-Northern Wis. Center	Residential mental retardation facilities	250-499 employees
Silocon Graphics Inc.	Electronic computer manufacturing	250-499 employees
Extencicare Homes Inc.	Nursing care facilities	250-499 employees
Mason Companies Inc.	Men's nonathletic footwear manufacturing	250-499 employees
WI Corrections-Stanley Correctional Inst.	Correctional institutions	250-499 employees
Cray Inc.	Electronic computer manufacturing	250-499 employees

Share of jobs in top 10 industries in Chippewa County



Share of Chippewa County jobs with top 10 employers

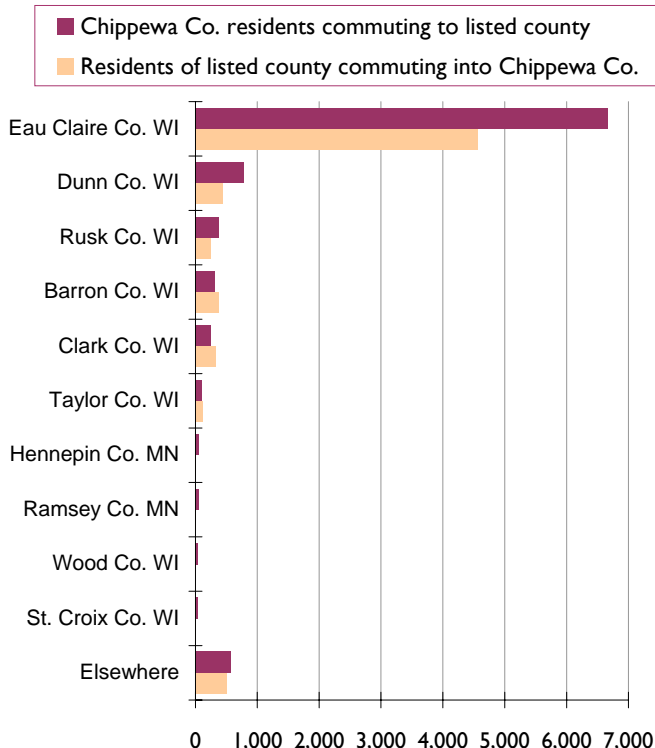


Commuting

The commuting interaction that Chippewa County has with surrounding counties shows a net outflow of 2,650 workers, meaning that more workers travel out of the county for jobs than travel into the county from other places.

In Chippewa County 9,294 residents, over one-third of the county's workforce (34%), traveled out of the county for a job. Three out of every four of the workers who left the county headed for destinations in Eau Claire County and most of those workers had jobs with employers in the City of Eau Claire. For every three Chippewa County residents who commute to Eau Claire, two Eau Claire residents commute to Chippewa. It is this sharing of workforce that binds the two counties as a metropolitan area. The fact that so many residents travel out of the county for a job is also the primary reason that the labor force in Chippewa County is greater than the number of jobs with county employers.

Overall more workers travel out of the county for a job than commute in. Employers in Chippewa County attract roughly 4,575 workers from neighboring counties and most of them travel from Eau Claire County. Workers from Barron County find employment closer to home in the City of Bloomer and workers from Clark County are more likely to find a job in Stanley. The most popular destination for workers from all areas is the City of Chippewa Falls followed by the Chippewa share of the City of Eau Claire.



Source: U.S. Census 2000, Special tabulations: Worker Flow Files

Key occupations & wages

Information on occupations and wages for Chippewa County is based on survey responses for the Eau Claire metropolitan statistical area that also includes Eau Claire County. The list on the right includes wages for some of the occupations with the most employment in that area. These 20 occupations provide approximately 24,700 jobs, or 34 percent of the 72,000 total jobs in the metropolitan area.

Each occupation includes a mean (average) and median (50th percentile) hourly wage, probably the most frequently requested wage information. If the mean and median are relatively close the labor market for that occupation is probably tight.

Eleven of the 20 occupations typically require only short-term training and, for the most part, have a mean hourly wage under \$11/hour. There are also jobs on this list with mean wages that exceed \$12/hour but typically require only moderate to long-term training periods. Only three occupations typically require college degrees.

Occupation title	Hourly Wages			
	Mean	Percentile		
		25 th	50 th	75 th
Retail salespersons	\$10.88	\$7.35	\$8.77	\$11.98
Cashiers	\$7.48	\$6.34	\$7.36	\$8.44
Registered nurses	\$22.26	\$18.91	\$21.65	\$25.41
Nursing aides, orderlies, & attendants	\$10.37	\$8.78	\$10.01	\$11.61
Comb. food prep. & serving workers (fast food)	\$6.71	\$5.90	\$6.47	\$7.23
Team assemblers	\$12.20	\$10.21	\$12.06	\$13.52
Office clerks, general	\$10.01	\$7.81	\$9.76	\$11.98
Secretaries, except legal, medical, & executive	\$12.39	\$10.36	\$12.44	\$14.07
Truck drivers, light or delivery services	\$11.27	\$8.45	\$10.94	\$13.15
Laborers & freight, stock, & material movers, hand	\$9.09	\$7.15	\$8.46	\$10.70
Waiters & waitresses	\$7.13	\$5.94	\$6.49	\$7.16
Bookkeeping, accounting, & auditing clerks	\$12.63	\$9.72	\$12.22	\$14.89
Janitors & cleaners, except maids & housekeeping	\$10.79	\$8.35	\$10.26	\$13.04
Receptionists & information clerks	\$9.47	\$8.20	\$9.63	\$10.75
Elem. school teachers, except special ed.	*	*	*	*
Stock clerks & order fillers	\$9.37	\$7.19	\$8.68	\$11.09
1st-line supervisors/mgrs. of retail sales workers	\$16.88	\$10.63	\$14.55	\$20.85
Truck drivers, heavy & tractor-trailer	\$16.12	\$12.53	\$15.02	\$19.89
Customer service representatives	\$13.52	\$9.48	\$12.23	\$16.89
General & operations managers	\$42.30	\$24.14	\$35.48	\$56.09

Chippewa County is part of an area which includes Chippewa and Eau Claire counties.

Source: DWD, BWI, Occupation Employment Statistics survey, 2003

Employment and Wages

An increase of 2.8 percent, or 96 jobs, in payroll employment in Chippewa County from 2002 to 2003 was better than the change of -0.2 percent in Wisconsin. The largest increase in employment occurred in public administration with the addition of 238 jobs. The annual average wage in public administration of \$30,642 exceeds the average wage in the county of \$28,909 but is only 86 percent of the wage for similar work in the state.

Manufacturing employment declined 4.4 percent in the county similar to the Wisconsin's 4.2 percent loss. Even though the number of jobs declined, wages increased 5.2 percent. Wages increased for two reasons, 1) total payroll increased and 2) higher wages often occur when workers with less seniority and lower wages are laid off. The average annual wage for manufacturing workers was \$40,718 in 2003, the highest in the county and nearly matched the wages of manufacturing workers in the state. Manufacturers provide over 27 percent of the county's jobs and 38 percent of the payroll from all industries.

The lowest wages in leisure & hospitality are paid to eight percent of the county's workers and are only 67 percent of wages for similar work in the state. Several factors influence

Average Annual Wage by Industry Division in 2003

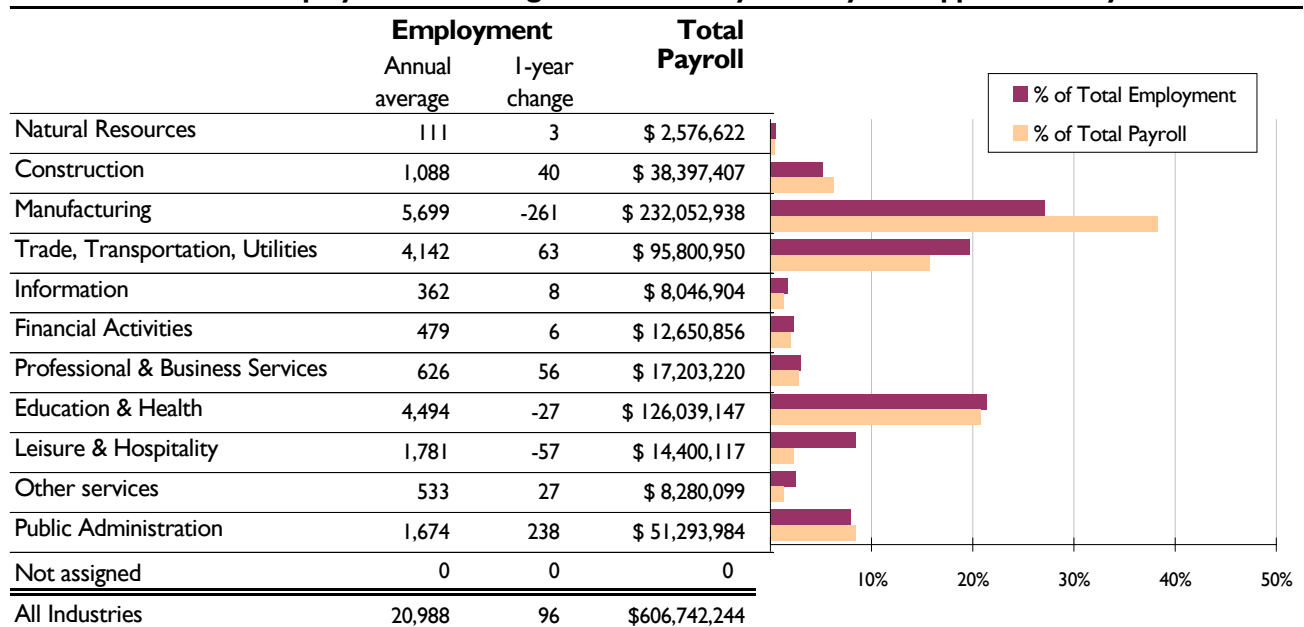
	Average Annual Wage		Percent of	1-year
	Wisconsin	Chippewa County	Wisconsin	% change
All Industries	\$ 33,423	\$ 28,909	86.5%	3.0%
Natural resources	\$ 25,723	\$ 23,213	90.2%	0.4%
Construction	\$ 40,228	\$ 35,292	87.7%	3.1%
Manufacturing	\$ 42,013	\$ 40,718	96.9%	5.2%
Trade, Transportation, Utilities	\$ 28,896	\$ 23,129	80.0%	-0.3%
Information	\$ 39,175	\$ 22,229	56.7%	1.4%
Financial activities	\$ 42,946	\$ 26,411	61.5%	2.5%
Professional & Business Services	\$ 38,076	\$ 27,481	72.2%	-0.4%
Education & Health	\$ 35,045	\$ 28,046	80.0%	2.1%
Leisure & Hospitality	\$ 12,002	\$ 8,085	67.4%	3.8%
Other services	\$ 19,710	\$ 15,535	78.8%	2.3%
Public Administration	\$ 35,689	\$ 30,642	85.9%	8.0%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

average wages including occupation composition (professional and technical jobs generally have higher wages than clerical and service occupations), job tenure (those with more seniority are paid more than new hires), average workweek (full or part-time), and seasonal or temporary employment.

The distribution of total payroll and employment for the major industry groups in the county is detailed in the chart below. The second highest payroll is with education and health services employers, which in this case includes public education, and is paid to 21 percent of the workers in the county.

2003 Employment and Wage Distribution by Industry in Chippewa County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2004

Per Capita Personal Income

Per capita personal income (see glossary) increased 1.5 percent in Chippewa County in 2002, slower than in the United States, Wisconsin and other metropolitan counties in the state. The slower growth means that income declined slightly when adjusted for inflation. The PCPI in the county is 85 percent of PCPI in Wisconsin and 83 percent of the United States. It ranks 36th out of 72 counties in the Wisconsin.

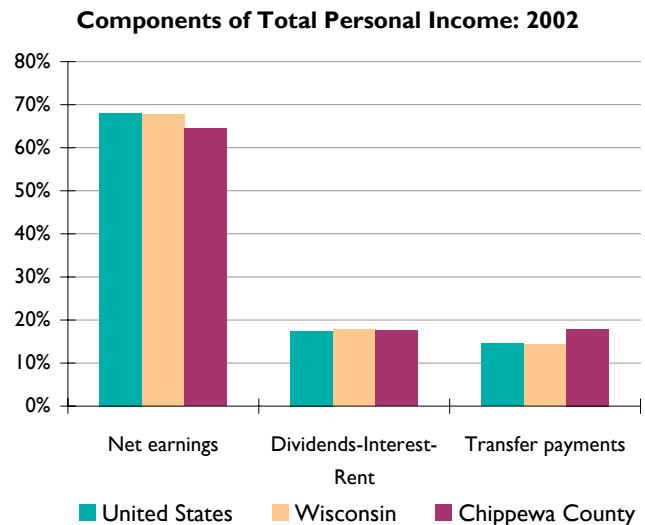
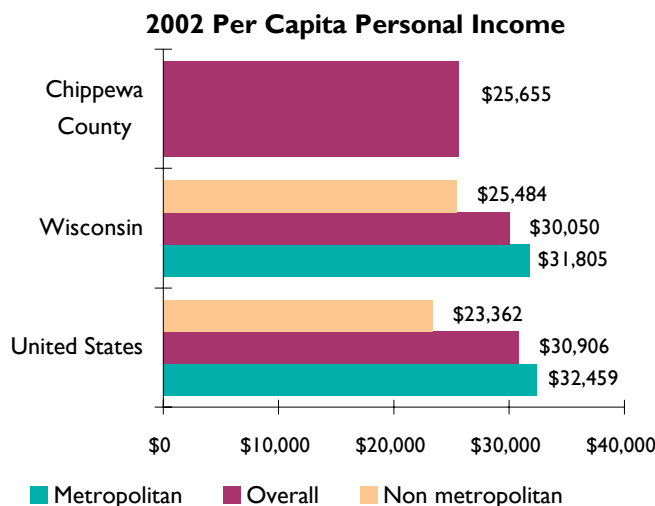
The greatest share of total personal income is net earnings from jobs, both in and out of the county, self-employment and proprietorships. Not only are annual average wages lower than in Wisconsin but the share of net earnings in total per-

sonal income of 64.5 percent in Chippewa County is below the 68 percent of both the state and nation. In contrast transfer payments comprise a larger share of total personal income. Both factors contribute to the lower PCPI in the county.

While PCPI is often used as a comparative income measure it should be remembered that population is also a key component. PCPI is the result of dividing total income by total population. Residents over 18 years old earn most income but the younger population is still included in the formula. Likewise, a retired population has a much lower earning capacity.

	Per Capita Personal Income						Percent Change	
	1997	1998	1999	2000	2001	2002	1 year	5 year
United States	\$25,334	\$26,883	\$27,939	\$29,847	\$30,527	\$30,906	1.2%	22.0%
Wisconsin	\$24,514	\$26,175	\$27,135	\$28,573	\$29,361	\$30,050	2.3%	22.6%
Metropolitan WI	\$25,972	\$27,711	\$28,770	\$30,317	\$31,106	\$31,805	2.2%	22.5%
Chippewa County	\$21,298	\$23,158	\$23,841	\$25,026	\$25,276	\$25,655	1.5%	20.5%
In current dollars (adjusted to U.S. CPI-U)								
United States	\$28,397	\$29,670	\$30,170	\$31,181	\$31,010	\$30,906	-0.3%	8.8%
Wisconsin	\$27,478	\$28,889	\$29,301	\$29,850	\$29,825	\$30,050	0.8%	9.4%
Metropolitan WI	\$29,111	\$30,584	\$31,067	\$31,672	\$31,598	\$31,805	0.7%	9.3%
Chippewa County	\$23,872	\$25,559	\$25,745	\$26,145	\$25,675	\$25,655	-0.1%	7.5%

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, May 2004



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2004

The county workforce profiles are produced annually by the Office of Economic Advisors in the Wisconsin Department of Workforce Development. The author of this profile and regional contact for additional labor market information is:

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Phone: 715-634-5289
email: Beverly.Gehrke@dwd.state.wi.us

Metropolitan Statistical Area (MSA) - A single county or group of counties that include at least one urbanized area with a minimum population of 50,000. Multiple-county MSAs have a central county or counties, which have a high degree of social and economic integration with the other member counties as measured by commuting data.

Non-metropolitan county - Any county that is not a member of a metropolitan statistical area.

Net Migration - One of two components of population change. It is the net result of individuals who either moved into or out of an area.

Natural Change - One of two components of population change. It is the result of the number of births minus the number of deaths in an area over a period of time. A natural increase indicates there were more births than deaths. A natural decrease indicates there were more deaths than births.

Fertility rate - Number of live births per 1,000 women aged 15-44 years.

Employed - Persons 16 years of age or older, who worked as paid employees, or worked in their own business, profession or farm, or worked 15 hours or more as unpaid workers in a family-operated enterprise. Includes those temporarily absent from their jobs due to illness, bad weather, vacation, childcare problems, labor dispute, maternity or paternity leave, or other family or personal obligations.

Unemployed - Persons 16 years of age or older with no employment, who were available for work and made efforts to find employment sometime during the previous 4-week period ending with the monthly reference week. Persons who were awaiting recall to a job did not need to look for work to be classified as unemployed.

Labor Force - The sum of the employed and unemployed, whom are at least 16 years of age and older.

Unemployment Rate - The number of unemployed divided by the labor force. It is expressed as a percentage of the labor force.

Labor Force Participation Rate (LFPR) - The labor force divided by the total population aged 16 years and older. It is expressed as a percentage of the population aged 16 years and older.

Suppressed - Data is withheld or suppressed if it does not meet certain criteria. If an industry in a county has fewer than three employers or if a single employer employs 80% or more that industry's total employment in that county then the data are suppressed. These criteria were established to maintain the confidential reporting of payroll and employment by employers.

Total Personal Income - The aggregate income of an area received by all persons from all sources. It is calculated as the sum of wage and salary disbursements (less contributions for government social insurance), supplements to wages and salaries, proprietors' income with inventory valuation and capital consumption adjustments, rental income of persons with capital consumption adjustment, personal dividend income, personal interest income, and personal current transfer receipts that include retirement and veteran's benefits, government paid medical reimbursements, and income maintenance program payments.

Per Capita Personal Income (PCPI) - Total personal income divided by the total population.

Current Dollars - Phrase used to express historical dollar values in terms of their current purchasing power via inflation adjustment.

CPI-U - Consumer Price Index for all urban consumers, the most commonly used measure of inflation in the United States.